

HOUSE No. 1115

By Mr. Vallee of Franklin, petition of James E. Vallee relative to penalties for withdrawing from the motor vehicle insurance market. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO PENALTIES FOR WITHDRAWING FROM THE AUTO INSURANCE MARKET.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 22E of chapter 175 of the General Laws is
2 hereby amended by striking out in the second sentence thereof the
3 words “and that the company’s refusal to write motor vehicle
4 liability policies or bonds is not contrary to the public interest by
5 disrupting the market for said insurance in the commonwealth.”

1 SECTION 2. Chapter 175 of the General Laws is hereby amended
2 by repealing section 22H.

1 SECTION 3. Section 113H of chapter 175 of the General Laws is
2 hereby amended by adding at the end thereof the following:—
3 Notwithstanding the provisions of any law, regulation or other
4 requirement to the contrary, no company shall, upon withdrawing
5 from the private passenger auto insurance market, be required to pay
6 any assessment other than such company’s proportionate share of the
7 losses and expenses incurred by the plan for those policy years
8 during which such company participated in such market.